

From: Bill Anderson, Legislative Liaison

To: Members of the House Local Government and Urban Policy Committee

Re: House Bill 4283 Date: March 2, 2005

The Michigan Townships Association supports House Bill 4283. We believe that every citizen who is to bear the burden of funding a special assessment must have the right to have the scope of the project explained and the related cost presented to him or her in a public hearing. This is the only way that our citizens can have assurance that the cost of the project has merit related to the benefit that is derived; this is the foundation of a special assessment.

Under current law, the Board of Determination is only required to consider the issue of whether or not a project is needed. This is only half of any decision to spend money. A determination must also be made that the cost of the project is commensurate to the benefit. We believe that no project should ever proceed without a firm grasp of the related costs. We believe that Representative Jones' legislation, as amended, takes a significant step to creating a simple cost / benefit analysis for drain projects in this state. It also creates safeguards to protect property owners should significant cost overruns occur on any given project.

We fully acknowledge that one of the imbedded problems with the operation of any drain office is the total lack of any dedicated funding to basic operations. However, a system that allows major construction projects to proceed without a sound knowledge of expected costs cannot be supported. The cost savings associated with one bad project that is scrapped before it ever begins, more than offsets the cost of basic early engineering studies on all projects that are being considered.